

Chamber of Commerce, the Human Rights Campaign Foundation, the San Francisco Symphony and the American Foundation for AIDS Research.

Because of this impressive record, the Senate Foreign Relations Committee approved the nomination of James Hormel by voice vote. And, as a matter of fact, just months before, the full Senate unanimously confirmed James Hormel to serve as a delegate to the U.N. Human Rights Commission.

Mr. President, James Hormel meets all requirements needed to be the ambassador to Luxembourg. If there is any doubt about Mr. Hormel's qualifications, we should have an open debate on the floor so these questions can be answered.

In the end, I believe both this country and Luxembourg will benefit greatly from James Hormel as U.S. Ambassador.

Thank you very much, Mr. President. I yield back the time to Senator BENNETT.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. The Senator from Montana has informed me he does not intend to use the time reserved for him. Not seeing the Senator from Pennsylvania on the floor, I now claim my 45 minutes and will proceed.

The PRESIDING OFFICER. The Senator from Utah.

THE WHITEWATER AND 1996 PRESIDENTIAL CAMPAIGN INVESTIGATIONS

Mr. BENNETT. Mr. President, I am here for two reasons today. First, the Governmental Affairs Committee filed its report last week. I have individual views in that report regarding the scandals surrounding the 1996 Presidential campaign. I said in my individual views that I would focus, in a major floor speech, on what I consider to be the principal issue of that investigation. I am here today to fulfill that responsibility.

Secondly, today I have sent a letter to the Attorney General focusing on what I consider to be the principal problem connected with our investigation. I owe it to her to make a full explanation of why I have sent her that letter.

Now, Mr. President, I am a Member of the Senate who served on the first committee investigating Whitewater activities, chaired by Don Riegle, the Senator from Michigan. I call that Whitewater I.

I served on the second committee investigating the matters relating to Whitewater, chaired by Senator D'AMATO, which I call Whitewater II.

I served on the Governmental Affairs Committee investigating the excesses of the 1996 campaign, which I shall call Thompson.

From those three committees, I have some observations that I think I would like the Members of the Senate to be

aware of. I am going to do two things in my presentation. First, I will outline the common threads that have run through all three of those investigations. They give us a pattern of how the Clinton administration reacts to scandal; and, second, I will, in response to the letter I have sent to the Attorney General, focus on the one specific situation that remains unresolved that in my opinion is the most important situation in this whole circumstance.

So let us go to my first task, the identification of the common threads. At the end of Whitewater I, I went back to the office and dictated a memo to myself for historical purposes to help me remember what I had learned out of that situation. I have gone back and reread that memo and share with you now the things I wrote down.

I came to the conclusion that the low-level people who testified before us—that is, people who are fairly far down in the bureaucracy—have good memories, gave us direct answers, and tell the truth as they see it. I found that pattern across the board. On the other hand, the higher level officials had bad memories, gave us evasive answers, and did their best, in my opinion, to shave the truth. As I say, I saw this pattern in the very first Whitewater committee. I saw it repeated again and again through all three experiences.

Let me give you some examples. In Whitewater I, the Resolution Trust Corporation employees, who were involved with investigating this matter, who first noticed the criminal referrals relating to President Clinton's—then Governor Clinton's—business partners, all had good memories, gave us direct answers and told us the truth.

But when we got to a higher level, we found a Treasury Department official who actually tried to convince the committee that he had lied to his own diary. That is, the notes he had taken contemporaneous to the events were wrong and the version he was now giving us before the committee was the correct one.

When we got to the highest level, members of the White House staff, we had the people who could not remember anything.

In Whitewater II, at the lowest level, the Secret Service people, the Park Police, the White House secretaries who worked in the office of the White House general counsel all had clear memories, all told us the truth, all were very direct in their responses.

When we got up to a slightly higher level, reminiscent of the man who lied to his diary, we had a political appointee who could not recognize her own voice when it was played back to her on a tape recording of a conversation she herself had had, saying, "I'm not sure that's me."

When we got to the highest level, White House intimates, we had a White House official who said she could not remember being in the White House even though the Secret Service showed

she had been there and had been in the family residence portion of the White House for 2 hours on that particular day, and she had no recollection whatsoever of the incident. She did recall making calls of condolence to people with respect to Vince Foster's suicide, but she could not recall any conversations about any other subject during that time period.

Now, when we get to the Thompson committee, at the lowest level, we had briefers from the CIA, we had secretaries at the Department of Commerce, we had a bookkeeper from the Lippo Bank, all of whom had very clear memories—direct answers, believable.

Then we got up to the DNC staffer, he constantly had to have his deposition read back to him when he was in front of the television cameras to remind him that his version now was not the same as his version previously.

When we got to the highest level, the Deputy Chief of Staff to the President of the United States, he said he "could not recall" 299 times—one time short of a perfect bowling score.

So, I came to my first conclusion: If you want to know what happened, talk to the people at the lower level, talk to the people whose jobs are not dependent upon White House patronage.

The second common theme comes not from a detailed memo to myself but from an editorial that appeared in the New York Times. This editorial appeared January 22nd of this year. It was not talking about the three investigations that I have described, but it does analyze, better than anything I have seen, the patterns of this administration. It says, quoting from the New York Times:

This Administration repeatedly forces its supporters to choose between loyalty and respect for the law. Those are Clinton . . . themes established long before the charges that Mr. Clinton had a sexual relationship with a White House intern. . . . In such circumstances in the past, the White House has relied on two principal weapons, stonewalling and attacking. . . .

I would like to take it through the same pattern as the first theme I discovered.

Let us go back to Whitewater I. Admittedly, there was a relatively small amount of stonewalling in Whitewater I. It was mainly memory loss. But there were attacks, attacks on the RTC employees, attacks on their veracity, attacks on their integrity, attacks on the way they did their jobs.

We really saw this pattern in stonewalling and attacking when we got to Whitewater II. Stonewall the subpoena. Insist that you cannot find the notes. Say that that is attorney-client privilege. Then we saw something new that entered in here which I call the "incompetence defense." Constantly we were told the reason they could not produce the information we wanted is that "a Secretary had misread the subpoena. . . . We didn't know that's what you wanted. . . . That was in the wrong file. . . . We looked in the wrong place. . . . We don't know where

the notes came from." Part of the stonewalling pattern was the incompetence defense. "We are so incompetent down here we can't provide you with anything."

Attack? Oh, yes, we saw it in Whitewater II—attack witnesses, including, incidentally, Linda Tripp, who was one of the low-level people who appeared before us in Whitewater II and who, in response to the attack she received by virtue of her direct answers, decided she had better start tape recording all of her conversations in order to protect herself. Attack the witnesses, attack the committee staff, and most of all, attack the chairman.

All of us in this Chamber know the tremendous amount of abuse that was heaped upon the head of the committee, AL D'AMATO, by virtue of his chairmanship of that committee. I personally saw it in the following instance. I appeared on the News Hour with Jim Lehrer opposite Anne Lewis, Deputy Director of the Democratic National Committee. She said on that occasion, with great indignation, "It is no coincidence that AL D'AMATO, the chairman of Bob Dole's election effort, was appointed chairman of the committee to handle this investigation against President Clinton." I stepped in and corrected her. I said, "As a matter of fact, it is coincidence." It is the purest coincidence. The individual who made the decision that AL D'AMATO would be the chairman of that investigation was actually George Mitchell, the Democratic majority leader in this Senate, who in the 103d Congress determined it would be the Banking Committee that would handle the Whitewater investigation. George Mitchell didn't realize that the voters would put AL D'AMATO in that position in the 104th Congress. Pure coincidence. I saw Anne Lewis on television the next day after I had given her that additional information saying, "It is no coincidence" about AL D'AMATO, and she went on with her charge, her unrelenting attack.

In the Thompson committee, the same pattern. They attacked the witnesses, they attacked the staff, they attacked the chairman, and in this case, they attacked the committee members. I know that because they attacked me. Here was the circumstance. We had a description of Charlie Trie and how he was acting, and one of the members of the committee said he really couldn't understand that action, implying that Charlie Trie should be dismissed as nothing more than a buffoon. I stepped in and said, "No. I have owned a business in Asia. I have done business in Asia. Charlie Trie's actions are the typical actions of an Asian businessman." By that afternoon, the Democratic National Committee issued a press release attacking me as a racist, and within 3 or 4 days, par for the course with their efficiency, there were letters to the editor of my hometown newspaper repeating the charge that I was a racist.

I found it interesting that somewhat later when President Clinton was describing why Charlie Trie acted the way in which he did, he pointed out he was simply responding to the culture that he came out of, the business situation in which he found himself—in other words, a typical Asian businessman. I find it interesting that to the Democratic National Committee when I say it, it is racist; when President Clinton says it, it is exculpatory. In fact, of course, it is neither one.

Stonewall and attack, stonewall and attack. We saw it through all three of these investigations. If I may, we are seeing it again with respect to Kenneth Starr and what is going on in the investigation into the President's personal life. Those are the themes that I saw. The second conclusion I add to the first one: The White House will stonewall and attack at every turn. Those who speak up candidly do so at their peril.

Now, let me go to my second task, which is to focus on what I consider to be the most serious unresolved situation in all of this. For this we need to take a little history. We go back to 1977 and to the State of Arkansas. In 1977, Mochtar Riady decided it was time to come to the United States. He found a partner who would help him come into the United States, a man by the name of Jackson Stephens of Little Rock, AR. Now, Mochtar Riady is an ethnic Chinese who was born in Indonesia. He rose from running a bicycle shop to becoming a billionaire. We know on the basis of the IMF debate that is currently going on with respect to Indonesia how one becomes a billionaire in Indonesia. It is being called "crony capitalism." It is characterized by money laundering, insider trading, and a cozy relationship with the Government that usually involves substantial payments to officials of the Government. That is the culture in which Mochtar Riady became a billionaire. We will revisit that in a minute.

As I say, in 1977 Mochtar Riady wanted to come to the United States, and given the fact that his company, his group, called the Lippo Group, is primarily involved in banking, insurance, securities, and property development, it is natural that he should first look to acquire a bank. Jackson Stephens said to him, "We can help you acquire the National Bank of Georgia from Bert Lance." But Mochtar Riady did not move fast enough. There were some Middle East investors who moved in, acquired the National Bank of Georgia, renamed it the Bank of Commerce and Credit International, or BCCI, and it went on to its own history and its own story, and we will leave it at that.

Perhaps disappointed in his inability to acquire the National Bank of Georgia, Mochtar Riady looked elsewhere, and Jack Stephens had an alternative for him in the State of Arkansas. So Mochtar Riady sent his second son and heir, James Riady, to Little Rock, to intern at Stephens & Company where

he became acquainted with the then Attorney General of the State of Arkansas, a rising young politician named Bill Clinton. Riady and Stephens went on to joint ventures in Hong Kong and in other deals.

But in 1984, Riady and Stephens jointly took control of the Worthen Bank in Little Rock. James Riady was installed to run the Worthen Bank, and he brought from Hong Kong an experienced international banker to help him, a man by the name of John Huang. Now, immediately the bank ran afoul of Federal regulators. The Comptroller of the Currency accused bank officials of breaking Federal laws that limit insider loans. One reporter put it, "The Feds imposed controls on insider lending and started to ease the Riadys out of the bank. The pipeline from Worthen to Jakarta would be cut off." Forced out of their control of the Worthen Bank, the Riadys moved their operations to California. They took over a small bank, renamed it the Lippo Bank of California, and James Riady and John Huang moved to California to head up the bank.

Now, as occurred in Arkansas, the stewardship of the Lippo Bank of California promptly drew the attention of the regulators. Twice within 4 years it was hit with cease and desist orders from the FDIC. The first one was issued for "unsafe or unsound banking practices." The second was issued for underreporting foreign currency transfers between California accounts and accounts in Hong Kong. The Los Angeles Times has noted, "Since 1990, Lippo Bank has spent most of its existence under the FDIC cease and desist orders which are uncommon and among the most severe actions an agency can take."

Now, the Riadys did not stop with banking in California. They branched out into other businesses. We found three of them in the Thompson committee, Hip Hing Holdings, San Jose Holdings, and Toy Center Holdings. There was one common thread of all three, they all lost money.

The most spectacular loser was Hip Hing Holdings. Here is a summary of its financial results. In 1992, it had total income of \$38,400. It had expenses exceeding that income of \$482,395. They donated, out of that \$38,000 in total income, \$55,400 to the Democratic National Committee. That has since been returned, having been determined to have been illegal. In 1993, it didn't do any better. Its income went down to \$35,000, which brought losses, because their expenses were stable, brought their losses up to \$493,000, and this time they donated \$32,960 to the Democrats.

The committee determined this was a clear example of money laundering because the \$55,400 that came in 1992 was all reimbursed from Jakarta. We asked the bookkeeper of the Hip Hing Holdings how this worked. She said, "Whenever I needed any money I contacted Jakarta and they sent it." Now, John Huang was the president of Hip Hing

Holdings. He was also an officer in every other one of these Lippo corporations that I have described, including the Lippo Bank, the one for which he was qualified by virtue of his background. We asked the Lippo Bank president what John Huang did all day. The president and John Huang had adjoining offices and they shared a single secretary. You would think if anyone would know what John Huang's activities were, it would be the bank president of the Lippo Bank. He responded he had no idea what John Huang did all day. We asked the same question of the bookkeeper; we got the same answer. They didn't know what the president of this company, which was losing half a million a year, and no one seemed to care, was doing with his time.

Well, we know what he was doing with his time. John Huang traveled extensively as the Riadys' principal agent in the United States. Among other places, he went to Little Rock to keep up his contact with then Gov. Bill Clinton. He raised money for Governor Clinton's reelection and he raised money for the campaign for President. The committee determined that in 1992 the Riadys were the largest single contributor to the Democratic National Committee, larger than any union, larger than any Hollywood star, larger than any special interest group connected with the Democratic Party. The No. 1 contributor to the Democratic National Committee was the Riady family.

After the election, John Huang continued traveling the country as the Riadys principal agent in the United States, but he added a new wrinkle to his activities. He started hosting officials of the People's Republic of China, taking them wherever possible to introduce them to members of the Clinton administration.

In one case, he brought a Riady partner with connections to the Chinese intelligence apparatus to meet Vice President GORE. Now, why the People's Republic of China? Why would the Riadys be interested in courting favor with the Chinese? Public sources say the Riadys have more than \$1 billion invested in China. We asked the CIA if there were other links between the Riadys and the Chinese. The answers are in S-407, the secret room here in the Capitol, and any Senator who wishes can repair there and see just how close the relationship is between the Riadys and the Chinese. I assure you it is very close.

This is what the committee says: "The committee has learned from recently acquired information that James and Mochtar Riady have had a long-term relationship with a Chinese intelligence agency. The relationship is based on mutual benefit, with the Riadys receiving assistance in finding business opportunities in exchange for large sums of money and other help"—I said we would revisit crony capitalism. "Although the relationship appears based on business interests, the

committee understands that the Chinese intelligence agency seeks to locate and develop relationships with information collectors, particularly persons with close connections to the U.S. Government."

Let's go back to 1992. The Riadys, the largest single contributor, what did they want? The answer: they wanted a job in the Clinton administration for John Huang. Now, when his name went to the personnel processors, they assumed, we found out in the committee, that the primary reason for supporting John Huang was he was an Asian American and this was one of President Clinton's diversity appointments. Frankly, the appointment languished. It sat there for a year and a half and then two things happened:

No. 1, Webb Hubbell, Hillary Clinton's former law partner, and President Clinton's close friend, found himself out of a job, out of money, and on his way to jail. No. 2, James Riady went to the White House five times in 1 week. On his last day at the White House, which was June 25, he attended the President's radio address. The White House photographers turned on the videotape. I have seen the videotape of the radio address and of the people who were there. At the end of the radio address, each person there shook hands with the President, had his picture taken, and left. Hanging back until everyone was gone was James Riady and John Huang.

After the radio address was over and the people had cleared the Oval Office, James Riady, John Huang, and Bill Clinton were left alone. At that point, unfortunately, the White House photographer turned off the video camera, so we don't know what happened at that meeting. But this much we do know: On the next business day, Monday, June 27, Webb Hubbell was retained by the Lippo Group for \$100,000, and John Huang got a memo from James Riady outlining his severance from Lippo in anticipation of his joining the administration in the Commerce Department. Ultimately, that severance came to nearly \$900,000—over 4 years' pay—to an executive who had presided over nothing but losing operations.

Well, as we know, the amounts we have shown of these losses are chump change to a billionaire. The Riadys were not in America to make money. They came to America looking for something other than financial gain from their investments in the United States, and they seemed to have gotten it when John Huang went to the Commerce Department less than a month after that White House meeting. James Riady summarized it very well when he described John Huang as "my man in the American Government." John Huang didn't have just any job. He became the principal Deputy Assistant Secretary for International Economic Policy with access to critical economic information, including classified briefings from the CIA.

What did John Huang do at the Commerce Department? Well, we know from some of those lower level people that he attended a lot of meetings and that he was a very assiduous note taker. He was an information collector. But other than that, his superiors at Commerce said the same thing that his superiors at the Lippo Bank said: "We really don't know what John Huang did with his time. We really don't know what he did each day."

Well, we know at least some of the things he did. No. 1, we know he went to the White House 67 times while he was Deputy Assistant Secretary. I know Cabinet officers who would be jealous of the opportunity to go to the White House half that often. No. 2, we know that at least once or twice nearly every week in the entire time he was at the Commerce Department he walked out of his Commerce Department office, went across the street to Stephens Inc's Washington office where he received packages, FAXes, and phone calls; and then with the door closed in an office in that suite, he made phone calls and sent out FAXes. We do not know to whom. We do not know what was in those packages that he received there or why it was essential for him to go there at least once, and often twice, almost every single week for 18 months.

We also know that even though he had received close to \$900,000 in severance from the Lippo Group, there was one tie with the Lippo Group that was not severed. They left him with a corporate telephone credit card, and he used that credit card to make over 400 telephone calls to Lippo officials—at least 232 of them to officials of the Lippo Bank. Many of these calls were made on his Commerce Department telephone, using the corporate credit card from the corporation from which, supposedly, he had been severed.

Now, here, therefore, is the structure: You have John Huang in the Commerce Department, in an area of great sensitivity, taking notes and getting briefed by the CIA, and in and out of the White House more often than a Cabinet officer. He is on the phone weekly, or more often, to Lippo executives who have very close ties to Chinese intelligence. If ever there was a conduit that could be used to pass intelligence information from inside the Clinton administration to the Chinese intelligence apparatus, or Lippo, or both, that conduit was this: From the United States Government through the conduit created by John Huang to the Lippo Group or the Chinese Government. Was this what the Riadys hoped for when they paid for all those money-losing corporations? If it is, they certainly had it.

Of course, all of this would disappear if Bill Clinton failed to be reelected in 1996. So, in 1995, it was decided in another Oval Office meeting, attended by James Riady, John Huang, Bruce Lindsey, and President William Clinton, that John Huang would move from

the Commerce Department to the Democratic National Committee. The same apparatus that could have been used to funnel intelligence information out could now be used to funnel dollars in. Now, there was objection in the Democratic National Committee to John Huang because they were afraid he would break the rules, break the law, and embarrass them in his fundraising activities. The President himself overcame those objections, making it clear that he wanted John Huang at the DNC. John Huang went there and he began to raise money. Indeed, did he raise money. Here is the list of John Huang's fundraising capabilities:

In November of 1995, he raised \$30,000; in December, \$100,000; in February of 1996, \$1.1 million; in April of 1996, \$140,000; in May of 1996, \$600,000; in June of 1996, \$90,000; in July of 1996, \$700,000. In all, it was over \$3 million. He created enormous cash flow for the Democratic National Committee. Unfortunately, it went both ways because almost half of the money that flowed in from John Huang's activities had to flow back out as it was determined to have come from illegal sources.

His most spectacular success was the dinner in February of 1996 when they raised \$1.1 million. Here is what President Clinton had to say on that occasion:

I am virtually overwhelmed by this event tonight. I have known John Huang a very long time. When he told me this event was going to unfold as it has tonight, I wasn't quite sure I believed him. But he has never told me anything that didn't come to pass, and all of you have made it possible.

Unfortunately, a substantial number of the people at the head table at that event could not participate in this tribute to John Huang because they didn't understand English. They were not citizens of the United States, and they weren't quite sure what was going on. But they were sure that money was going in the direction they wanted it to go.

Now, I want to focus on the most famous of John Huang's fundraising activities—the April 29, 1996, fundraiser at the Buddhist Temple that he ran along with Maria Hsia. The amount of money he raised was not the largest amount, but it was the most significant amount. He raised \$140,000, most of which had to be returned because the alleged donors were, in fact, reimbursed, dollar for dollar, in a way that is classic money laundering and clearly illegal. I focus on this not because it is the most famous, but because it is the best symbol of what appears to have been going on here. It has the most complete cast of characters. Here we have one event, and representing the Clinton administration was the Vice President, AL GORE; representing the DNC, its chairman, Don Fowler; representing the Lippo Group, John Huang, still carrying a Lippo credit card; and representing Chinese intelligence, Maria Hsia and Ted Sioeng.

I need to talk a minute about Ted Sioeng. There were press reports that

indicated he was, in fact, connected with Chinese intelligence. When we were in room 407 getting a confidential briefing in executive session from the Director of the FBI and the Director of the CIA, I asked the question, "Is there any connection between Ted Sioeng and the intelligence operation of the People's Republic of China?" The answer I got was, "We don't know." So I asked the question, "Aren't you interested?" "Well, yes." I then asked the question, "Will you find out?" "Yes." And then I asked the question, "When you find out, will you share that information with this committee?" "Yes."

The next time we gathered in executive session with the Director of the CIA and the Director of the FBI, this was their opening comment: "We need to make a correction of our previous statements. It turns out that in response to Senator BENNETT's questions, we went back and checked our files and discovered that we did indeed have information linking Ted Sioeng to the People's Republic of China."

This was discovered in the CIA files. When they went to find the source of that information in the CIA files, they discovered that their source was the FBI. In fact, it was in both agencies and neither agency Director had known about this. I won't go into that matter further, because Senator SPECTER made a speech about it on the floor castigating the Department of Justice for not doing the very fundamental kind of activities that would have discovered that and prevented their Directors from being so embarrassed before the members of the committee.

It is time to summarize. What do we have here? We have a conduit that runs from the inside of the Clinton administration to the inside of the Chinese intelligence apparatus. It is a conduit through which could flow from the United States to the Chinese classified information about U.S. trade policy and strategy. It is also a conduit through which could flow from the Chinese, or Lippo, to the Democratic National Committee funds to support the reelection of President Clinton. We do know that funds did flow through that conduit from Lippo to the DNC—those funds that I identified that came through Hip Hing Holdings that have had to be returned. We do not know whether funds have come from the Chinese Government, either down through Lippo or directly through the conduit to the Democratic National Committee.

So the key question that must be answered and, in my opinion, still is unresolved after all of these investigations, is: Was this conduit ever used either way for either purpose—the transmission of intelligence information, or the transmission of money?

When I tried to find out by asking direct questions in executive session on this issue, I always get the same answer: "Senator, we cannot give you that information because it is part of an ongoing criminal investigation."

Now, on its face, that is an acceptable answer. That says that something is being done about this. Someone of importance in the justice apparatus of the United States is looking into this and pursuing a criminal investigation.

But I want to put that in context. Who should conduct that investigation, the Department of Justice or an independent counsel? When we had word of a scandal in Arkansas prior to Bill Clinton becoming President of the United States, Janet Reno, the Attorney General of the United States, said that is a matter that requires an independent counsel.

When we had a matter when one Indian tribe was accused of influencing a decision relating to the gambling license for a competing Indian tribe, Janet Reno, the Attorney General of the United States, said that is a matter for an independent counsel.

When we had accusations that Henry Cisneros lied to the FBI about the amount of money he paid his mistress prior to his confirmation hearings, Janet Reno, Attorney General of the United States, said that is a matter for an independent counsel.

When we had accusations that Secretary Espy, Secretary of the Agriculture, had taken favors improperly from certain lobbyists, Janet Reno, Attorney General of the United States, said that is a matter for an independent counsel.

When we had information that the President had behaved in an improper way in his personal life, Janet Reno, Attorney General of the United States, turned to Ken Starr and said, "That's a matter for an independent counsel." But on the question of whether or not this conduit was utilized for illegal transfers of money or intelligence information, either way, Janet Reno, Attorney General of the United States, says, "This one I will investigate myself." On this one she has staked the integrity and objectivity of the Department of Justice. If she has staked the integrity and objectivity of the Department of Justice, in my opinion, there must be an accounting of that integrity.

So I have today written the Attorney General a letter. I ask unanimous consent that it appear in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. BENNETT. Mr. President, I make three points in the letter.

First, I point out that it is still time for her to do in this instance what she has done five times before in instances that are, in my opinion, less serious than this one. There is still time to appoint an independent counsel. However, if she persists in refusing to do so, I think she has, at the very minimum, two responsibilities to this Congress.

First, if she uncovers any indication of the passing of improper information through this conduit from the U.S.

Government to either Lippo or the Chinese, or both, she has the responsibility to share that information with the Senate Intelligence Committee, and to share it as soon as she finds it.

Second, if she comes across any indication that there was an illegal transfer of money from either the Lippo Group or the Chinese Government, or both, into the Democratic National Committee, she has the responsibility to share that information with the Governmental Affairs Committee immediately after she finds it. We can always reconvene in S. 407. We can always go into executive session. But she has a responsibility, by virtue of her determination to keep this matter to herself rather than giving it to an independent counsel, to be that responsive and that accountable to this Congress.

I say to her, "Madam Attorney General: By making the decision to keep this to yourself you have your work cut out for you. In addition to the pattern of poor memory at the highest level, you have a flock of witnesses who have fled the country. You have a flock of witnesses, including members of the White House staff, who have taken the fifth amendment. You have an intricate and almost massive task. And this Senator at least will be watching with great interest to see how you discharge it."

I yield the floor.

EXHIBIT 1

U.S. SENATE,

Washington, DC, March 13, 1998.

Hon. JANET RENO,
Attorney General of the United States, Department of Justice, Washington, DC.

DEAR MADAME ATTORNEY GENERAL: During its investigation of campaign finance irregularities, the Senate Governmental Affairs Committee uncovered a series of established contacts between the Chinese Government and the Clinton Administration. These contacts could have been used as conduits for the two-way passage of classified information and illegal campaign contributions.

For example, the American Intelligence Community has concluded that the Riady family of Indonesia has had "a long term relationship with a Chinese intelligence agency". The Community further concluded that the Chinese intelligence agency "seeks to locate and develop relationships with information collectors, particularly persons with close connections to the U.S. Government." The Committee determined that (1) the Riady family and its associates were the leading source of campaign funds for the Clinton-Gore ticket in 1992, and (2) the Riady family was able to place one of its top officials, John Huang, at the Commerce Department where he had access to sensitive intelligence information. The Committee also concluded that six individuals—John Huang, Charlie Trie, Maria Hsia, Mochtar and James Riady, and Ted Sioeng—have some affiliation to the Chinese Government.

In a number of circumstances, including allegations against Cabinet officers Henry Cisneros, Michael Espy and Bruce Babbitt, you have decided that potential conflicts of interests required the appointment of an Independent Counsel. The Chinese conduit issue raised by the Committee is far more significant to public confidence in the proper functioning of the American Government than any of these cases. Further, the six individuals named by the Committee all have

strong links to "covered persons" under the Independent Counsel statute. Therefore, I believe that the appointment of such a Counsel is required. I urge you to reconsider your decision not to do so.

However, if you persist in your decision to retain jurisdiction within Justice over these cases, it is incumbent on you to agree to do two things as your investigation proceeds: (1) Inform the Senate Select Committee on Intelligence of possible classified information that may have flowed through the conduit from the Clinton Administration to the Chinese Government. (2) Inform the Governmental Affairs Committee of any illegal campaign funds which may have made its way through the conduit from Chinese sources to Clinton-Gore or the Democratic National Committee.

By refusing to turn this matter over to an Independent Counsel, you have taken upon yourself the responsibility to be thorough, vigorous and timely in your investigation. Given the high level of public and congressional interest in the serious circumstances involved, it is only appropriate that the Congress continue to be kept informed of your progress.

Sincerely,

ROBERT F. BENNETT,
U.S. Senator.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I want to say to my good friend from Utah—I think Members of the Senate already know this—no one, no one in the Senate, has more articulately and persuasively defended the right of American citizens to participate in the political process, which is a constitutional right in this country; no one has more articulately been involved and persuasively been involved in an effort to stop misguided efforts to put the Government in charge of the political speech of individuals and groups, candidates, and parties than has the Senator from Utah.

But what he has done today is provide for the Senate and for the public a clear summary of the illegal activities of the current administration. The Senator from Utah has reminded everyone that it is against the law now for foreigners to contribute to American elections, for money laundering to be engaged in, and for money to be raised on Federal property.

So the Senator from Utah has done far and away the best summary of the activities of this administration going back to 1992 which either crossed the line or skirted the edge and has been lost in the sort of numbers of different occurrences.

So what the Senator from Utah has done is cut through all of this, summarize it, and give the Senate and the American public a clear indication of the sleaze factor that has ranked so high in this administration from the beginning to the end.

So I thank the Senator from Utah. I think it is the most important speech that I have heard in the Senate in many, many years. He has made an important contribution in this area, and I appreciate the opportunity to be here

on the Senate floor and to have an opportunity to hear this important speech.

I yield the floor.

Mr. BENNETT. Mr. President, I thank my friend from Kentucky.

Mr. THURMOND. Mr. President, I commend the able Senator from Utah for the valuable information he just provided to the Senate. I am amazed at what has taken place. This information is so valuable that it could be used, and should be used, in further inquiries into this matter.

Mr. BENNETT. I thank my friend from South Carolina. This is high praise coming from a man who served with my father and who has set an ethical standard of which the rest of the Senate can be proud.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Democratic leader.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CONGRESS BOWL

Mr. DASCHLE. Mr. President, lately we have watched, marveled at and cherished several monumental athletic achievements.

A young woman from Idaho, Picabo Street, abbreviates knee surgery recovery to win the gold medal in the Super-G at the Olympic Games in Nagano. John Elway, a 14-year veteran and one of the NFL's premier quarterbacks, leads the underdog Denver Broncos to a victory in Super Bowl XXXII. And, just last weekend, "The Great One," Wayne Gretzky of the New York Rangers, makes history by becoming the first professional hockey player to score 1,000 goals.

Mr. President, in keeping with the competitive spirit and standard of excellence embodied in such athletic feats, I want to acknowledge another noteworthy sporting accomplishment.

A little more than a week ago, on March 1, the Senate pages trounced the House pages, 70 to 35, in the Congress Bowl—a knock-down, drag-out, 8 against 8 battle to the finish. Before a standing room only crowd, the competition was fierce and the play physical in the inaugural meeting of these arch rivals. And, like Picabo Street, John Elway and Wayne Gretzky before them, the Senate athletes demonstrated superior determination, teamwork and skill in cruising to victory.

Congratulations to all who participated in the Congress Bowl—especially the Senate page team of Colin Davis, Ben Dow, Dan Teague, Sina Nazemi, Bird Bourne, Sean Boyle, Mitch